

THE HON'BLE SRI JUSTICE RAMESH
RANGANATHAN
W.P.No. 5980 OF 1997

Date: 02.02.2007

Between:

Chegu Mahdeva Rao.

_____ ... Petitioner.

And

The Presiding Officer, Labour Court, Guntur and
another.

_____ ... Respondents.

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ORDER:

The main grievance of the petitioner in this writ petition, against the order of the Labour Court, Guntur in C.M.P. No. 85 of 1988 dated 28.02.1995 is for denial of interest.

The facts, in brief, are that the petitioner joined in the second respondent bank in 1966. He was placed under suspension on 19.07.1969 and was reinstated into service on 07.05.1979 with continuity of service and with full backwages. While back wages for the said period was paid to him, certain other amounts which the second respondent did not pay was sought to be claimed by the petitioner under Section 33 C(2) before the Labour Court along with interest at 21% per annum.

Sri V. Venkateswa Rao, learned Counsel for the petitioner, would lay emphasis on the petitioner being denied payment of interest at 21% p.a. for non-payment of amounts due to him. Learned Counsel would submit that, since the petitioner was illegally kept under suspension for nearly a decade for no fault of his and the second respondent, having realized that it had acted illegally, had reinstated the petitioner on his own accord with continuity of service with full back wages, the action of the second respondent in denying interest

at 21% p.a. for the amounts legitimately due and payable to the petitioner was clearly illegal and that such a claim could certainly be entertained and adjudicated by the labour Court in proceedings under Section 33-C(2) of the Industrial Disputes Act.

It is well to remember that the proceedings under which Section 33-C(2) are in the nature of execution proceedings. Unless a statutory right or a pre-determined right accrues in favour of the petitioner to claim the amounts, the remedy under Section 33-C(2) of the Industrial Disputes Act is not available. Learned Counsel would fairly concede that the interest claimed at 21% pa. is not traceable to any statutory provision relating to the second respondent bank. Learned Counsel would also not dispute the fact that there has been no determination of the petitioner's entitlement for payment of interest at 21% p.a. As such the question of the petitioner invoking the jurisdiction of the Labour Court under Section 33-C(2) for payment of this amount of interest at 21% p.a. does not arise. Learned Counsel would submit that the petitioner was entitled to be compensated for the illegal action of the second respondent in denying him interest for belated payment of the amounts legitimately due to him. It is made clear that this Court has not adjudicated on the merits of the petitioner's claim and the writ petition is dismissed only on the ground that in the absence of a

statutory right or an earlier determination of the petitioner's right for payment of interest on belated payment of these amounts, the jurisdiction of the Labour Court, under Section 33-C(2) of the Industrial Disputes Act, cannot be invoked. Leaving it open to the petitioner, to avail other such remedies as are available to him in law, the writ petition fails and is accordingly dismissed. However, in the circumstances, without costs.

Date: 02.02.2007
RANGANATHAN, J

RAMESH

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